

# INDUSTRY CIRCULAR

OFFICE OF THE COMMISSIONER OF INTERNAL REVENUE  
ALCOHOL AND TOBACCO TAX DIVISION



WASHINGTON, D. C. 20224

Industry Circular No. 66-3

February 15, 1966

## STRIP STAMPS ON BOTTLED DISTILLED SPIRITS

Proprietors of distilled spirits plants  
and others concerned:

Purpose. This circular is issued to remind you of the provisions of 26 CFR 201.545, with reference to the affixing of strip stamps to bottled distilled spirits.

Background. Retailers and retailers' associations have reported that strip stamps on bottled distilled spirits received at the retail level are not always securely affixed to bottles so that the stamps are frequently found loose at the bottoms of cases, or else are damaged as a result of the opening of such cases.

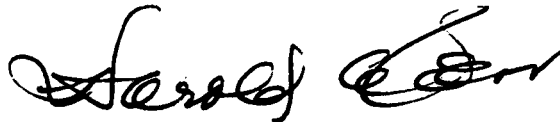
The principal causes for the loose or damaged stamps are said to be:

1. Celloseals are no longer being placed over the strip stamps.
2. An excess of glue is being used to seal cases of bottles, causing the strip stamps on the bottles to adhere to the tops of the cases so that the stamps are damaged when the cases are opened.
3. Glue of inferior quality is being used to affix strip stamps to bottles, and the stamps thus come loose and fall off the bottles.

Regulatory Provisions. The first sentence of 26 CFR 201.545 requires you to affix strip stamps to bottles with a strong adhesive, in such a manner that the stamp affixed to each bottle will be broken when the bottle is opened and in such a manner that an identifiable portion of such stamp will remain affixed to the bottle until it is emptied. The intent of this provision is twofold: (1) to insure that strip stamps will remain intact on bottles until such bottles are opened and (2) to insure that an identifiable portion of the stamp will remain affixed to the bottle as long as that bottle contains spirits (as evidence that such spirits have been legally taxpaid and bottled).

Proprietor's Responsibility. You are reminded of your responsibility under the above discussed regulatory provisions. If you have discontinued the use of celloseals, it is suggested that you check on the quality of the adhesive you are now using on your strip stamps. It may be that you are using an adhesive which was adequate when used in conjunction with the celloseals but which is not good enough to satisfy the purpose of the regulations when used without such added protection. It is also suggested that you observe the operation of your case-sealing machinery, and make such adjustments as may be necessary to assure that the under surface of case tops will not become attached to bottle strip stamps and thereby cause damage to such stamps when the cases are opened.

Inquiries. Inquiries in regard to this circular should refer to its number and be addressed to your Assistant Regional Commissioner, Alcohol and Tobacco Tax.



Harold A. Serr  
Director, Alcohol and Tobacco Tax Division

DISTRIBUTION: (Total 250) - Received 2/25/66

Mr. Watson 4	
Chapter 6600 (Omit extra manuals)	176
DSP's	32
DSP Special List	21
Balance to file	21
Total received and accounted for	<u>250</u> copies
Released 2/28/66.	

W.F. J.H.